the Conference have prepared a provisional list of subjects to be committed to federal jurisdiction. Important States like Travancore now exercise sovereign rights of legislation, taxation and administration in regard to several of the subjects proposed to be federalised ; and in order to secure the vested rights or special interests that such States might possess in relation to these matters, the Sub-Committee have provided that suitable adjustments and reservations may be made. The Committee observe that "the precise delimitation of the functions of the Federal and State Governments respectively, in these spheres will be a matter for settlement in respect of each such subject by negotiation ". And consequently, the range of subjects to be brought within the purview of the Federal Government and the extent of federal jurisdiction with regard to them will be definitely settled only after further discussion. " The connection of the States with the Federation will", in the words of the Premier, " remain subject to the basic principle that, in regard to all matters not ceded by them to the Federation, their relations will be with the Crown acting through the agency of the Viceroy".

In any scheme of federation, Travancore, with a population of about four and a half millions and a revenue of two and a half crores of rupees will naturally play an important part. This State is next only to Hyderabad and Mysore in point of population and takes the fourth rank among the Indian States in point of revenue. Besides, as one of the most important maritime States she has got problems of her own in regard to which special adjustments and reservations may have to be made.

Government are watching with the closest interest the further course of events relating to the work of the Round Table Conference and I may assure you that they will put forth their best endeavours to secure for Travancore full recognition of her just and legitimate claims to an honourable place in the Federal India of the future.

Introductory.

4. You have as usual been supplied already with copies of the Administration Report, the Statistical Volume and the Report of the Department of Agriculture and Fisheries, for the year 1105. Copies have also been distributed of the Statement of Action taken on the representations made by members at the five previous sessions of the Assembly. You will see from that statement that, since the close of the last session, the subjects the representations relating to which were not finally disposed of by my replies then given, have engaged the careful attention of Government, and that sustained action is being taken on those still left undisposed of.

I shall now proceed to a brief narration of the more salient features in the administration of the State during 1105 and indicate the more important administrative measures that are in contemplation.